

**PERSONALITY AND PREFERENCE: A LABORATORY STUDY**

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This paper attempts to explain the relationship between personality traits and commodity preferences. The norm-referenced test of personality has been used so as to infer economic behavior with a limited sample size. In this study, we use Lai's Personality Inventory to measure introversion, extroversion, mental health, emotional stability and social adaptability of subjects. In addition to existing psychological measurements, we have also developed measurements for the rationale of decision-making over various commodities, based on the subjects' behavior of selectivity and utility maximization.

Our results suggest that consumers are capable of more than a simple product search. If technology and the market allow, consumers can locate the product that delivers the highest utility, based on respective interest and the budget constraint. Conventional studies on preference revolve around product quantity, assuming other things equal, while product quantity can be viewed as one of the product attributes that consumers consider in their decision-making process. In other words, consumers have a desired quantity for a specific product if asked to make a *ceteris paribus* decision.

In this study, preference lies in the combination of multiple product attributes and levels. The more attributes consumers can choose from, the higher the utility level consumers can achieve. Currently, neither the composition nor the decomposition method can look beyond existing product attributes. Only through the upgrading method and with a budget constraint can consumers' unspoken preference be unveiled and understood. Information regarding each consumer's willingness to pay is embedded in the upgrading process. In our experiment, participants are asked to satiate their needs to the best possible extent, while protecting the balance of the token value (which has a chance of being redeemed for cash). In short, this experiment gives power to describe not only the products desired by consumers, but also the prices consumers are willing to pay.

In addition, this study has found that behaviors can be partly explained by the variant degree of emotional stability. Despite its preliminary character, this study explores the relationship between personality and behaviors. Abundant observations of each personality type coupled with in-depth analysis are needed to support or revise the conclusions reached in this study. If

*Proceedings of the 2011 Annual Meeting of the Academy of Behavioral Finance and Economics, September 21-23, 2011, Los Angeles, California*

information embedded in the preference distribution of product selection can be distilled and matched to certain types of personality, producers may model the exclusively preferred factors of the target buyers in their innovation process. In addition, a leading market trend may stand a better chance of being captured and accurately forecasted once the population personality is known.